

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: April 25, 2011
POSITION: Oppose

BILL NUMBER: AB 971
AUTHOR: W. Monning

BILL SUMMARY: PIT: Voluntary Contributions - Extend Sea Otter Fund

This bill would extend the sunset date for the California Sea Otter Fund voluntary contribution on the personal income tax return for five years – from January 1, 2011, to January 1, 2016.

FISCAL SUMMARY

In its analysis of the April 4, 2011 version of this bill, the Franchise Tax Board (FTB) estimated that personal income tax revenues would be reduced by approximately \$15,000 annually beginning in 2012-13 as a result of increased itemized deductions. Finance would not expect the FTB's estimate to significantly change as a result of the amendments in this version.

Because the FTB and the State Controller's Office would be reimbursed for their administrative costs, this bill is not expected to significantly affect the operating costs of the FTB or the State Controller's Office.

COMMENTS

Under current law, the sunset date for this fund was January 1, 2011, and as a result, the fund has been repealed and will not appear on the 2011 return.

Finance opposes this bill because it would result in a \$15,000 annual General Fund revenue loss beginning in 2012-13.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							Fund
	RV	98	FC	2010-2011	FC	2011-2012	FC	2012-2013	Code
1147/Pers Inc Tax	RV	Yes		--		--	U	-\$15	0001
1730/FTB	SO	No		-----	No/Minor Fiscal Impact	-----			0001
0840/Controller	SO	No		-----	No/Minor Fiscal Impact	-----			0001

Analyst/Principal (0727) P. Ng	Date	Program Budget Manager Mark Hill	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS	Form DF-43 (Rev 03/95 Buff)
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